

Silver price rise forecast is too shiny

By Roger Boye

Today's first question typifies queries from several Tribune readers.

Q.—I read with great interest a newspaper article that said the price of silver may soon "take off." An expert predicted a climb of from 60 to 80 per cent by the end of 1981 and a doubling of the price next year. Do you agree, and if so, is this the time to buy silver coins?—D.N., Chicago.

A.—The forecaster is much too optimistic. I think silver will remain in a \$9- to \$11-an-ounce range for the rest of this year, and increase only modestly in 1982, if at all. [Silver was as high as \$50 an ounce in January, 1980.]

The reasons are many, including the sluggish economy and Uncle Sam's attempts to sell government silver stockpiles in a series of weekly auctions.

However, this may be the time to buy rare-date coins, whether made of silver, gold, or copper. Prices of several collectible coins are down by 40 per cent or more from their peaks in early 1980.

Some dealers report that business has picked up in recent weeks, and they say the rare-coin market may

have bottomed out.

Most successful investors buy coins that are in demand as "collector items"—pieces with rare dates and mint marks—not so much for the silver or gold content. In the last five decades, collectible coins have gone up faster in price than has either silver or gold bullion.

Q.—I see your articles on silver coins, but you don't mention nickels. How much silver is in nickels? I've saved a lot of them.—E.S., Cary, Ill.

A.—With just one major exception, there is no silver in nickels. They are made with 75 per cent copper and 25 per cent nickel.

The Treasury Department used silver in nickels during World War II; those coins each contain .06 of an ounce of silver and are easy to identify because of a large mint mark on the "tails side." The dates range from 1942 to 1945.

Q.—The mint mark on my 1980 quarter is quite small, but I don't think it's a "D." Do I have something that's unusual?—J.S., Des Plaines.

A.—No, since the letter is probably a "P" for Philadelphia. Quarters made at the "mother mint" in the last two years carry a tiny "P"; those produced in Philadelphia before 1980 have no mint mark.

Want a retail price list to use in evaluating your Indian head cents? Send a self-addressed, stamped envelope to Roger Boye, Arts & Books, Chicago Tribune, 435 N. Michigan Av., Chicago, Ill. 60611. Roger Boye will also personally answer any questions you have about old coins or currency.